

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS

FOR PUBLIC UTILITIES COMMISSION

In the Matter of the Certificate of Need
and Route Permit Applications for a 161
kV Transmission Line and Associated
Facilities in Jackson County, Minnesota

SUMMARY OF PUBLIC TESTIMONY

This matter began on December 1, 2008, when the Minnesota Public Utilities Commission (MPUC) issued an Order accepting Northstar Transmission, LLC's (Northstar) 161 kV Transmission Line application for a route permit to construct the transmission line in Jackson County, Minnesota, and authorizing the Department of Commerce's Office of Energy Security (OES) to process the application. On January 22, 2009, the Commission issued another order directing an informal review process of Northstar's application for a Certificate of Need (CON) for that same project and requesting the Office of Administrative Hearings (OAH) to coordinate the processes associated with the project with MPUC staff and to hold at least one public hearing on the project.

Administrative Law Judge Bruce Johnson conducted a public hearing on the project on June 23, 2009, at 6:00 p.m. at the AmericInn of Jackson, 110 Belmont Lane, Jackson, Minnesota. Approximately six members of the public attended the hearing. The ALJ was present at the hearing and provided those members of the public an opportunity to present their views regarding the need for and proposed routing for the project. The period for written comment closed on July 6, 2009.

NOTICE

This report contains a summary of public testimony. It is not a final decision. Pursuant to Minn. R. 7849.5720, the Commission will make the final determination of the matter within 60 days after the receipt of the record from the administrative law judge.

Description of the Project

Northstar has proposed to construct 9 to 10 miles of 161 kV transmission line in Jackson County, Minnesota, between a proposed Tatman substation in Petersburg Township near the Iowa border north to points of interconnection. The transmission line and associated facilities are being proposed to capture energy generated by the 200

megawatt Northstar Wind Farm in northern Iowa and deliver that energy to a point of interconnection north of the City of Jackson. At the proposed Tatman substation, the electrical power from that wind farm will be stepped up to 161 kV and delivered to one of two possible points of interconnection.

As proposed, the transmission line route would head north out of the Tatman substation along County State Aid Highway (CSAH) 25/560th Avenue for approximately five and one half miles to 558th Avenue and then continue north two miles to CSAH 14. At that point, the transmission line would veer slightly north-northwest where it would travel along property and section lines across private agricultural land to one of two possible points of interconnection. The first optional point of interconnection would be the new Jackson Substation, which is located north of the City of Jackson and is currently under construction. The second optional point of interconnection would be the existing switching station pole #115, which is owned by Xcel Energy.

Northstar is requesting a proposed route of varying widths, ranging from 300 feet to one mile in width. The proposed transmission line would be constructed within and share the existing road rights-of-way along CSAH 25/560th Avenue and 558th Avenue from the proposed Tatman substation to CSAH 14. Northstar would require a 50-foot wide strip of new right-of-way along that segment of the proposed route. Northstar also requires licensing agreements from Jackson County and the affected townships to enable the transmission line to share the 50 feet of required road right-of-way. Northstar has already acquired a strip of privately owned land almost eight miles long and 50 feet wide for overhang easements. In the event that a route permit is issued, Northstar will begin negotiating with affected landowners for easements on any new right-of-way that may be needed.

Procedural History

1. On October 28, 2008, Northstar filed a route permit application for the proposed transmission line under the alternative permitting process. Since the proposed transmission line capacity is greater than 100kV and may be 10 miles or more in length, Northstar also filed an application for a CON on October 28, 2008.¹

2. On October 28, 2008, Northstar also filed a request for an exemption from certain CON application data filing requirements and for a variance from the 45-day time period required between an exemption request filing and the filing of a CON application.²

3. On November 17, 2008, the Commission issued a Notice soliciting comments on:

a. The merits of the exemption from certain CON data filing requirements;

¹ Application for a Certificate of Need

(<https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?DocNumber=559123>)

² Exemption and Variance Request

(<https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?DocNumber=559123>)

- b. The merits of the timing variance request; and
- c. The substantial completeness of the application in accordance with Minn. Rules, Parts 7849.0220, 7849.0240, and 7849.0260 through 7849.0340 as filed by the applicant.

4. On November 26, 2008, the Office of Energy Security (OES) recommended that the Commission grant the requested exemptions and found that the application would be complete upon the submission of certain additional information. The OES recommended the Commission process the CON application through the informal comment and reply process.

5. On December 8, 2008, Northstar filed reply comments, providing the supplemental information requested by OES, and the matter came before the Commission on December 18, 2008.

6. On January 22, 2009, the Commission issued an Order requesting that the Office of Administrative Hearings conduct a public hearing to take public testimony concerning the application.³

Hearing Notice and Public Comment Process

7. On June 1, 2009, OES issued a Notice of Public Hearing giving advance notice of the public hearing to persons on the service list. It was followed on June 3, 2009, by a Revised Notice of Public Hearing, and on June 11, 2009, the Notice of Public Hearing was published in the Jackson County Pilot, a local newspaper.

8. Approximately 6 members of the public appeared at the public hearing. Three members of the public offered testimony about the proposed transmission line and related issues. After the hearing, the record remained open for thirteen days to allow all interested persons to submit written comments. Three written comments were filed by members of the public. The record was closed on July 6, 2009.

9. The Commission will issue an order on Northstar's applications for a route permit and a Certificate of Need after examining this Summary, the hearing transcripts, all written filings submitted by the public and all filings and argument submitted by the Applicant, the Minnesota Department of Commerce, and other persons and entities interested in this matter.

Summary of Public Testimony

Scott Ek, Project Manager with the Department of Commerce's Office of Energy Security made a presentation at the public hearing regarding the OES's responsibility for conducting and processing route permit applications.

³ See, Order Granting Exemptions and Variance, Finding Application Complete and Directing Informal Review Process, January 22, 2009.
(<https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?DocNumber=570851>)

The environmental assessment performed by the Department is summarized in a document entitled *Environmental Assessment: North Star Transmission, LLC, 161 Kilovolt Transmission Line and Associated Facilities in Jackson County, Minnesota*.⁴ The Environmental Assessment is a general document discussing the potential human and environmental impacts of the Project, as proposed, as well as any alternatives to the Project. The Department also assessed possible mitigation of potential adverse impacts of the Project.

Tricia DeBleeckere, a staff representative of the Minnesota Public Utilities Commission, explained that the Commission is the final authority on both the site and the route permit and also the CON.

Ben Kerl, a developer with National Wind, provided background on the need for the project. The purpose of the 161 kV transmission line is to serve the output of a large community-owned wind farm that will be built in Emmet and Dickinson Counties, Iowa. The project development began in 2005 and is planned to be built as early as the end of 2010. Growth of the wind farm business is based on an increased demand for energy and especially an increased demand in renewable energy due to the adoption of Renewable Energy Standards at the state level. Minnesota is requiring that its utilities use 25 percent renewable energy by 2025. National Wind wishes to connect its wind farm to the proposed Jackson substation is because that would allow it to connect to the nearest large transmission line with capacity.

Al Blum, employee of Emmet County Energy, described the proposed route and explained the reasons for the choices made and contemplated. The collection systems from 133 wind turbines will travel underground and come together at a substation located on the Jack Tatman property. At that point the proposed route will proceed north along County Road 25 for two miles and then will proceed on 560th Avenue and 558th Avenue for about eight miles up to the County 14. This corridor is being requested as a result of issues raised in the environmental assessment. Those issues relate to the location of the Des Moines River crossing and the crossing of County Road 25. From County 14 the route will proceed around the Bill Aschman property, onto the Fairland Nasby property, and north to connect at Pole #114. This will be the preferred point of connection. From there, the transmission line will proceed west to the new substation in Jackson behind the Echo Plant.

Scott Ek asked Mr. Blum to clarify whether Northstar had decided to select pole 114 as the point of interconnection. Mr. Blum explained that he had misspoken, and Mr. Kerl stated that they wished to confirm that the point of connection would be the new Jackson substation. Scott Ek asked for confirmation that this interconnection point would not require the proposed switching station and Blum and Kerl affirmed this. Mr. Ek also asked whether what is mentioned in the environmental assessment regarding the Des Moines River and County Road 25 crossings is feasible depending on agreements between Jackson County and Northstar. Mr. Blum confirmed that it would

⁴ Ex. 14.

be feasible, and that all of this would occur within the requested route width described in the permit application.

Sarah Withers, a landowner in the Project area, asked about the alternate route discussed at a previous public meeting. Mr. Ek explained that the alternated route was addressed in the Environmental Assessment and was still being considered. He also solicited comments from the public about which route appeared most suitable.

Wanda Jerousek, another landowner in the Project area, voiced her concern about the transmission line running over the tops of both her house and the Withers' house, both of which are close to the road. For this reason she encouraged the consideration of an alternate route.

Van Johnson, another landowner in the Project area, voiced concern about the possible destruction by contractors of the township road going through Petersburg. He also asked how the utility poles might impede future road improvement. Mr. Ek explained that the Applicant would pay for any damage done during construction or maintenance of the power lines. Mr. Blum explained that the Jackson County engineer had made it clear that if the County decided to improve the gravel road with blacktop Northstar would be responsible for any necessary relocation of the poles.

Summary of Written Comment

The Rob, Sarah, Dylan, and Tressa Withers family, who are landowners in the Project area, submitted a written comment. They expressed concern that the proposed route would bring the 160 kV transmission line in close proximity to their house. They stated that the distance from the center line of the pole to there daughter's bedroom would only be about 173 feet. They were concerned about long term health impacts on themselves and their two young children. They disputed the statement in the Environmental Assessment indicating that residents along their segment of the route currently have a view of an REA distribution line. They stated that the line in question has been underground since the 1960's. They argued that the impact of the 161 kV line would be more then incremental and proposed that an alternative route be adopted. They suggested a route along the west fence line, although noting that this new route would affect four residences not currently affected by the original route. Nevertheless, they argued that the alternative route would be further away from those houses than the proposed route would be from their own house. They also noted that, unlike their house, the other houses would have a shelterbelt to obstruct the view of the line.

Jody and Richard Withers, also landowners in the Project area, submitted a written comment raising four concerns:

1. The Withers have health concerns related to close proximity to the 161 kV line. They have recently constructed a retail store on their property, and they are concerned about exposure of their to the transmission line. They urge that the Commission err on the side of caution and pick an alternate route.

2. They are also concerned about the impact their proximity to the transmission line may have on their essential communication devices. They fear an impact on cell phone reception, television reception and internet connection.
3. Further, they are concerned that the transmission line poles will be placed in their driveways and would pose a potential hazard to the equipment that they use.
4. Finally, they take exception to the suggestion made in the Northstar application that they already have a view of a power line. They claim that the half-mile of power line across their land does not have any above ground poles. They argue that the addition of the transmission line would be a major change to the character of the property, since there are currently no above ground poles in the vicinity.

In summary, Jody and Richard encourage the adoption of an alternative route that they presented at the public meeting at the AmericInn on January 29, 2009.

Joe Ascheman, a landowner in the Project area, also submitted a written comment. He expressed concern about having the transmission line close to his livestock and himself. He proposed that the route be moved to the west ½ mile where there is less desirable land.

No other written comments from the public were received.

Dated: July 22, 2009.

s/Bruce H. Johnson
BRUCE H. JOHNSON
Administrative Law Judge

Reported: Janet Shaddix Eiling, R.P.R.
Shaddix & Associates
One Volume